

M/047/013
COWBOY FEDERAL #1 AMENDMENT

DOGM
MINERALS PROGRAM
FILE COPY

3590
U-0122693
(UT-921)

RECEIVED

JAN 27 1994

DIVISION OF
OIL, GAS & MINING

JAN 25 1994

Mr. Robert E. Covington
Consultant
Ziegler Chemical & Mineral Corporation
P.O. Box 1845
Vernal, Utah 84078

Dear Mr. Covington:

Your mine plan application was received November 15, 1993, in the Vernal District Office (VDO), and a copy was sent by the VDO to the Utah State Office (USO). Subsequent addenda to the plan were submitted, with the final addendum being received in the USO on January 5, 1994. An environmental analysis was prepared by a consultant hired by you; and a copy, with stipulations recommended by the VDO, was received by USO on January 19, 1994.

Accordingly, the mine plan for the Cowboy-Bandana gilsonite vein on Federal gilsonite lease U-0122693, with its four shafts (A1-4) and five escapeways, is hereby approved in the following manner:

1. Approval is subject to the stipulations listed below.
2. Ziegler has a Statewide bond in the amount of \$25,000. This Statewide bond is considered adequate to cover the additional liabilities expected from surface disturbance and reclamation due to this plan, as well as rental and royalty obligations on the leases covered by the bond.
3. Plans to commence construction of the initial shaft facilities may commence upon approval of this mine plan without delay; however, in accordance with wildlife mitigating measures covered in the EA-94-39, in conjunction with this mine plan, the BLM will conduct a Spring 1994 inventory of loggerhead shrike nest sites within 0.5 miles of planned disturbance areas. Loggerhead shrike nest sites discovered during the inventory will be flagged by BLM and the lessee/operator will be notified of their location in order to implement stipulation No. 1 below.

The stipulations required by this approval are as follows:

1. After April 1, 1994, the lessee/operator shall notify the Authorized Officer (AO) of the BLM at least 2 weeks in advance of any surface-disturbing activities planned. If active loggerhead shrike nest sites are present, any surface-disturbing activities and construction of facilities, which have not been initiated prior to the beginning of the nesting season, may have to be delayed until after the nesting season is completed. This stipulation may be waived, excepted, or modified, by the AO, if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

2. The area within the approved mine plan is part of a crucial pronghorn (antelope) habitat. No surface-disturbing activities may be initiated from May 15 through June 20 to protect the pronghorn antelope during the kidding period. This stipulation may be waived, excepted, or modified, by the AO if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.
3. Should ground water be encountered during mining operations, the lessee/operator shall:
(a) report the occurrence to the AO of the BLM; (b) sample the water and have it analyzed by a certified laboratory (the analysis shall include, pH, total dissolved solids, and the major constituents); (c) the results shall be submitted to the AO or his designated appointee, as directed; (d) the mine plan shall be amended to include disposal/treatment of the ground water; and, (e) the lessee/operator shall obtain the appropriate permits required to handle ground water.

If you have any questions, please contact Allen Vance at the USO (801) 539-4040, or Pete Sokolosky VDO at (801) 781-4501.

Sincerely,

/s/ James M. Parker

James M. Parker
State Director

Enclosure
Approval Page

bcc: SD Reading
Vernal DO
— Utah Division of Oil, Gas, & Mining
Vance
Solid File
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AVance:av:jt:01/25/94
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Approval Page

for

ZIEGLER CHEMICAL & MINERAL CORPORATION
COWBOY-BANDANA GILSONITE MINE
UINTAH COUNTY, UTAH

Federal Gilsonite Lease
U-0122693

MINE PLAN APPROVED BY
Bureau of Land Management

Recommended by: Allen J. Vance 1/20/94
Mining Engineer (Date)

Concurred by: Alan Rabenold 1/21/94
Chief, Branch of Mining Law (Date)
and Solid Minerals

Concurred by: Douglas M. Rose 1/26/94
Deputy State Director, Mineral Resources (Date)

Approved by: James M. Porter 1/26/94
State Director (Date)